SECTION III

SUMMARY OF THE RESULTS OF SENSITIVITY ANALYSIS

The purpose of this section is to describe the results obtained when the "best estimate" parameters, as well as the remainder of the 648 combinations of parameter values described in the previous Section, are input to the macroeconomic model.

Best Estimate Results

When the best estimate values are input to the macroeconomic model, we find that only 0.3% of the increase in the LECs' costs due to SFAS 106 are recovered through the GNP-PI, while an additional 12.3% might be recovered through additional macroeconomic effects. Thus, under this scenario 87.3% of the increase remains unrecovered. This compares with our prior baseline result of 84.8% of the cost increase being unrecovered.

Results of Comprehensive Sensitivity Analysis

As noted earlier, we input all 648 combinations of parameter values into our macroeconomic model and tabulated the results. These results are enumerated in Exhibit 2, which begins on page 19 of this Section.

One new technical issue arose during the sensitivity analysis, when we varied the share of labor cost in total cost in sectors 1 and 2. When the share of labor cost in total cost is different in sector 1 than in sector 2, the equilibrium rental cost of capital in the model (the variable "r" in equation (A19) in Appendix C of the Godwins Report) changes. If the rental cost of capital decreases, then the LECs benefit from this decrease just as they benefit from the reduction in the equilibrium wage rate. However, if the rental cost of capital increases, then this increase in rental cost tends to offset the benefit to the LECs of the reduction in the wage rate. In some cases, the effect of the change in the rental cost can more than offset the reduction in the wage rate, thus leading to a negative value reported in column (B) [percentage of TELCO's additional SFAS 106 costs financed by potential reduction in relative wage and other macroeconomic effects]. This consideration of the effect of the rental cost did not arise in the discussion of the baseline calculation because both sectors had the same share of labor cost in total cost, and thus the rental cost of capital did not change in the baseline calculation.

Discussion of Extreme Values

In the sensitivity analysis reported in Appendix C of the July 1992 Supplemental Report, the lowest value for the share of additional SFAS 106 costs to be met from other sources was 60.1%. In the current sensitivity analysis which examines all 648 combinations of parameter values, some of the combinations of parameter values lead to values below 60.1% for the share of additional SFAS 106 costs to

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be met from other sources. Below we explain why some of the combinations of parameter values lead to values below 60.1% and why these low values should be completely ignored.

Question 1:   Why do some combinations of parameter values in the current sensitivity analysis lead to a result lower than 60.1%?

As stated in the July 1992 Supplemental Report, there are 648 combinations of parameter values. At the time of writing that report, we did not have the program available to analyze all of these combinations in an expeditious manner, so we had to choose a subset of those combinations to examine. Our choice of parameter values was guided by looking at the effects of changing one parameter at a time. As stated in the July 1992 Supplemental Report (p. 31), *"Four of the parameters were each set at the value that led to the largest increase in GNP-PI when the parameters were varied one at a time. (Price elasticity of demand - 3.0; share of labor costs in total cost, sector 1 - 0.78; share of labor costs in total cost, sector 2 - 0.78; initial fraction of labor force employed in sector 2 - 0.4.)"* We then examined all possible combinations of the remaining two parameters (four values of the labor supply elasticity, and three values of the direct impact of SFAS 106 on labor costs in sector 2). As it turned out, among these 12 combinations, the lowest value of the percentage of additional SFAS 106 costs to be met from other sources (60.1% in column (C)) was obtained when the labor supply elasticity and the direct impact of SFAS 106 on labor costs in sector 2 were each set at the values that led to the largest increase in GNP-PI when the parameters were varied one at a time (labor supply elasticity - 0.3, and direct impact of SFAS 106 on labor costs in sector 2 - 5%).

Subsequent to the completion of the July 1992 Supplemental Report, we developed a computer program to examine several hundred parameter combinations expeditiously. We used this program to examine all 648 combinations of parameters in the original Godwins report and in the July 1992 Supplemental Report. This analysis revealed that the combination of parameters leading to 60.1% for column (C) is indeed the combination of parameter values that produces the largest effect on GNP-PI [reported in column (A)]. Specifically, that combination of parameter values produced a value of 26.0% for the percentage of incremental SFAS 106 costs reflected in GNP-PI [column (A)], and this value of 26.0% was the highest value among all 648 combinations. However, as it turned out, the combination of parameter values that yields the highest value in column (A) does not locate the combination that yields the lowest value in column (C). The reason is that column (C) is calculated as:

column (C) = 100% - column (A) - column (B)

where column (B) is the percentage of additional SFAS 106 costs financed by a potential reduction in the wage rate and other macroeconomic effects (including any change in the rental cost of capital).

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The smallest value in column (C) corresponds to the highest value of [column (A) + column (B)]. As it turned out, the sensitivity analysis in the July 1992 Supplemental Report successfully located the highest value of column (A) among all 648 combinations but did not locate the highest value of [column (A) + column (B)]. Specifically, the earlier sensitivity analysis did not include some combinations of parameter values that lead to a relatively large reduction in the wage rate and/or the rental cost of capital, thereby leading to relatively large values of column (B).

To sum up, because the sensitivity analysis in the July 1992 Supplemental Report did not examine all 648 combinations of parameter values, it did not locate the lowest value of (C). The current sensitivity analysis examines all 648 combinations of parameter values.

Question 2: Why should we completely ignore those combinations of parameter values that lead to values smaller than 60.1% for the percentage of additional SFAS 106 costs to be met from other sources [column (C)]?

The current sensitivity analysis examines a complete set of 648 combinations of parameter values. Ten of these combinations lead to values in column (C) smaller than 60.1%. All ten of these parameter combinations have the following characteristics:

1. The price elasticity of demand is 3.0. As discussed on page 12, the price elasticities of demand for sectors 1 and 2 are almost surely less than 1.0. A value of 1.5 for the price elasticity of demand was used in the baseline calculation to guard against understating the impact of SFAS 106 on GNP-PI. The value of 3.0 used in the sensitivity analysis is too high to be plausible, and we recommend ignoring calculations that use a value of 3.0 for the price elasticity of demand.

2. The direct impact of SFAS 106 on labor costs in sector 2 is 4.5%, which is an upper bound on the true value of this parameter according to the sensitivity analysis of the actuarial study. In fact, this value is well beyond both the best estimate of 2.5% and the more conservative baseline value of 3.0%.

3. The share of labor cost in total cost is 0.78 in sector 1 and less than 0.78 (either 0.64 or 0.50) in sector 2 (the sector that provides OPEBs subject to SFAS 106). However, we are very

confident that for the economy as a whole the share of labor cost in total cost is 0.64.[6] When the share of labor cost in total cost is set equal to 0.64 in both sectors, then the overall share of labor cost in total cost is 0.64, which matches the actual data. But when the share of labor cost in total cost is not set equal to 0.64 in both sectors, the overall share of labor cost in total cost does not equal 0.64, except by coincidence.

Additional Sensitivity Analysis

Having noted that the share of labor cost in total cost is 0.64 in the U.S. economy (comment #3 directly above), we performed an additional sensitivity analysis that takes account of this fact. In the model, the overall share of labor cost in total cost depends on the share of labor cost in total cost in each sector, as well as on the share of employment in sector 2 (the sector that provides OPEBs subject to SFAS 106). Rather than allowing the share of labor cost in total cost in sector 1, the share of labor cost in total cost in sector 2, and the share of employment in sector 2 to be varied independently of each other, the additional sensitivity analysis requires that these three parameters be varied in a way such that the share of labor cost in total cost for the whole economy is 0.64. Specifically, the share of labor cost in total cost in sector 2 is allowed to take on the values 0.5, 0.64 and 0.78; and the share of employment in sector 2 is allowed to take on the values 0.24, 0.32 and 0.40. For each of these combinations of parameter values, the share of labor cost in total cost in sector 1 is chosen so that in the overall economy the share of labor cost in total cost is 0.64. This additional sensitivity analysis has 216 combinations of parameter values (there are only 1/3 as many combinations because the share of labor cost in total cost in sector 1 is no longer varied independently of the share of labor cost in total cost in sector 2 and the share of employment in sector 2). The results of these runs are shown in Exhibit 3, beginning on page 34.

In this new sensitivity analysis, there were four (4) combinations of parameter values for which the percentage of additional SFAS 106 costs to be met from other sources [column (C)] is less than 60.1%. All four (4) of these parameter combinations have the following characteristics:

1.   The price elasticity of demand equals 3.0. As explained above, this value of the price elasticity of demand is just too high to be believed, and we should ignore these combinations of parameter values.

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6   See Footnote 2 on page 11.

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2. The direct impact of SFAS 106 on labor costs in sector 2 is 4.5%, which is an upper bound on the true value of this parameter according to the sensitivity analysis of the actuarial study. As noted earlier this value is much higher than either the best estimate value or the conservative baseline value used in the original study.

3. The share of employment in sector 2 is 0.4. According to the GAO study cited in the original Godwins study, the probability is greater than 97.5% that the true value of this parameter is less than 0.4.

In summary, many of the combinations of parameters, including all of the combinations that yield less than 60.1% in column (C), are simply not worthy of consideration.

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EXHIBIT 2   **Attachment 1**

Inputs:
  (1) Percentage increase in Labor Cost in Sector of Economy
         Subject to SFAS 106
  (2) Share of Employment in Sector Subject to SFAS 106
  (3) Labor Cost as a Share of Total Cost in Sector Subject to SFAS 106
  (4) Labor Cost as a Share of Total Cost in Sector Not Subject to SFAS 106
  (5) Labor Supply Elasticity for U.S. Economy
  (6) Price Elasticity of Demand in each Sector

Results:
  Percentage of Telco's Additional SFAS 106 Costs -
  (A) Reflected in GNP-PI
  (B) Financed by Potential Reductions in National Average Wage Rate
         and Other Macroeconomic Effects
  (C) To be Met by Other Sources

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
2%	24%	50%	50%	0	1.5	0.2%	7.4%	92.4%
2%	24%	50%	50%	0.1	1.5	1.3%	6.4%	92.3%
2%	24%	50%	50%	0.2	1.5	2.3%	5.5%	92.2%
2%	24%	50%	50%	0.3	1.5	3.2%	4.7%	92.1%
2%	24%	50%	50%	0	3	0.3%	7.3%	92.4%
2%	24%	50%	50%	0.1	3	1.4%	6.3%	92.3%
2%	24%	50%	50%	0.2	3	2.4%	5.4%	92.2%
2%	24%	50%	50%	0.3	3	3.3%	4.6%	92.1%
2%	24%	50%	64%	0	1.5	0.2%	7.9%	91.8%
2%	24%	50%	64%	0.1	1.5	1.5%	6.9%	91.6%
2%	24%	50%	64%	0.2	1.5	2.7%	6.0%	91.3%
2%	24%	50%	64%	0.3	1.5	3.8%	5.1%	91.1%
2%	24%	50%	64%	0	3	0.4%	9.4%	90.2%
2%	24%	50%	64%	0.1	3	1.4%	8.6%	90.0%
2%	24%	50%	64%	0.2	3	2.4%	7.8%	89.8%
2%	24%	50%	64%	0.3	3	3.3%	7.1%	89.6%
2%	24%	50%	78%	0	1.5	0.3%	9.3%	90.4%
2%	24%	50%	78%	0.1	1.5	1.7%	8.3%	90.1%
2%	24%	50%	78%	0.2	1.5	3.0%	7.3%	89.7%
2%	24%	50%	78%	0.3	1.5	4.2%	6.4%	89.4%
2%	24%	50%	78%	0	3	0.4%	14.2%	85.4%
2%	24%	50%	78%	0.1	3	1.4%	13.4%	85.2%
2%	24%	50%	78%	0.2	3	2.3%	12.7%	85.0%
2%	24%	50%	78%	0.3	3	3.2%	12.0%	84.8%
2%	24%	64%	50%	0	1.5	0.2%	7.1%	92.7%

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost				% of Increm. SFAS 106 Costs		
	%	as % Total Cost						
% Chg.	Empl.	Subj to	Not	Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Subj	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106		Elast.	Demand	GNP-PI	Effects	Sources
2%	24%	64%	50%	0.1	1.5	1.4%	6.0%	92.5%
2%	24%	64%	50%	0.2	1.5	2.6%	5.0%	92.4%
2%	24%	64%	50%	0.3	1.5	3.6%	4.1%	92.2%
2%	24%	64%	50%	0	3	0.4%	6.0%	93.6%
2%	24%	64%	50%	0.1	3	1.8%	4.8%	93.4%
2%	24%	64%	50%	0.2	3	3.1%	3.7%	93.2%
2%	24%	64%	50%	0.3	3	4.3%	2.6%	93.1%
2%	24%	64%	64%	0	1.5	0.3%	7.4%	92.4%
2%	24%	64%	64%	0.1	1.5	1.7%	6.3%	92.0%
2%	24%	64%	64%	0.2	1.5	3.1%	5.3%	91.7%
2%	24%	64%	64%	0.3	1.5	4.3%	4.3%	91.4%
2%	24%	64%	64%	0	3	0.5%	7.2%	92.3%
2%	24%	64%	64%	0.1	3	1.9%	6.1%	92.0%
2%	24%	64%	64%	0.2	3	3.2%	5.1%	91.6%
2%	24%	64%	64%	0.3	3	4.5%	4.2%	91.3%
2%	24%	64%	78%	0	1.5	0.3%	8.8%	90.9%
2%	24%	64%	78%	0.1	1.5	1.9%	7.7%	90.4%
2%	24%	64%	78%	0.2	1.5	3.4%	6.6%	90.0%
2%	24%	64%	78%	0.3	1.5	4.9%	5.6%	89.5%
2%	24%	64%	78%	0	3	0.5%	12.7%	86.8%
2%	24%	64%	78%	0.1	3	1.9%	11.7%	86.4%
2%	24%	64%	78%	0.2	3	3.1%	10.8%	86.0%
2%	24%	64%	78%	0.3	3	4.4%	10.0%	85.7%
2%	24%	78%	50%	0	1.5	0.2%	6.6%	93.1%
2%	24%	78%	50%	0.1	1.5	1.6%	5.5%	92.9%
2%	24%	78%	50%	0.2	1.5	2.8%	4.4%	92.7%
2%	24%	78%	50%	0.3	1.5	4.0%	3.5%	92.5%
2%	24%	78%	50%	0	3	0.4%	4.5%	95.1%
2%	24%	78%	50%	0.1	3	2.1%	3.0%	94.9%
2%	24%	78%	50%	0.2	3	3.7%	1.7%	94.6%
2%	24%	78%	50%	0.3	3	5.1%	0.4%	94.4%
2%	24%	78%	64%	0	1.5	0.3%	6.5%	93.2%
2%	24%	78%	64%	0.1	1.5	1.9%	5.3%	92.8%
2%	24%	78%	64%	0.2	1.5	3.4%	4.2%	92.4%
2%	24%	78%	64%	0.3	1.5	4.8%	3.2%	92.0%
2%	24%	78%	64%	0	3	0.5%	3.7%	95.7%
2%	24%	78%	64%	0.1	3	2.4%	2.4%	95.3%
2%	24%	78%	64%	0.2	3	4.1%	1.1%	94.8%
2%	24%	78%	64%	0.3	3	5.7%	-0.1%	94.4%
2%	24%	78%	78%	0	1.5	0.4%	7.3%	92.3%
2%	24%	78%	78%	0.1	1.5	2.1%	6.2%	91.7%
2%	24%	78%	78%	0.2	1.5	3.9%	5.0%	91.1%
2%	24%	78%	78%	0.3	1.5	5.5%	3.9%	90.6%
2%	24%	78%	78%	0	3	0.7%	7.1%	92.2%
2%	24%	78%	78%	0.1	3	2.4%	6.0%	91.6%
2%	24%	78%	78%	0.2	3	4.1%	4.8%	91.0%
2%	24%	78%	78%	0.3	3	5.8%	3.7%	90.5%

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| (1) | (2) | (3) | (4) | (5) | (6) | (A) | (B) | (C) |
| | | Labor Cost as % Total Cost | | | | % of Increm. SFAS 106 Costs | | |
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
2%	32%	50%	50%	0	1.5	0.2%	9.9%	89.9%
2%	32%	50%	50%	0.1	1.5	1.7%	8.6%	89.8%
2%	32%	50%	50%	0.2	1.5	3.1%	7.3%	89.6%
2%	32%	50%	50%	0.3	1.5	4.3%	6.2%	89.5%
2%	32%	50%	50%	0	3	0.4%	9.7%	89.9%
2%	32%	50%	50%	0.1	3	1.8%	8.4%	89.7%
2%	32%	50%	50%	0.2	3	3.2%	7.2%	89.6%
2%	32%	50%	50%	0.3	3	4.4%	6.1%	89.5%
2%	32%	50%	64%	0	1.5	0.3%	10.5%	89.3%
2%	32%	50%	64%	0.1	1.5	1.9%	9.1%	88.9%
2%	32%	50%	64%	0.2	1.5	3.5%	7.9%	88.6%
2%	32%	50%	64%	0.3	1.5	4.9%	6.7%	88.3%
2%	32%	50%	64%	0	3	0.4%	12.1%	87.5%
2%	32%	50%	64%	0.1	3	1.9%	10.9%	87.2%
2%	32%	50%	64%	0.2	3	3.2%	9.8%	87.0%
2%	32%	50%	64%	0.3	3	4.4%	8.8%	86.7%
2%	32%	50%	78%	0	1.5	0.3%	11.8%	87.9%
2%	32%	50%	78%	0.1	1.5	2.1%	10.4%	87.5%
2%	32%	50%	78%	0.2	1.5	3.8%	9.1%	87.0%
2%	32%	50%	78%	0.3	1.5	5.4%	7.9%	86.6%
2%	32%	50%	78%	0	3	0.5%	16.6%	82.9%
2%	32%	50%	78%	0.1	3	1.8%	15.6%	82.6%
2%	32%	50%	78%	0.2	3	3.1%	14.6%	82.4%
2%	32%	50%	78%	0.3	3	4.3%	13.6%	82.1%
2%	32%	64%	50%	0	1.5	0.2%	9.5%	90.3%
2%	32%	64%	50%	0.1	1.5	1.9%	8.0%	90.0%
2%	32%	64%	50%	0.2	1.5	3.5%	6.7%	89.8%
2%	32%	64%	50%	0.3	1.5	4.9%	5.5%	89.6%
2%	32%	64%	50%	0	3	0.4%	8.1%	91.5%
2%	32%	64%	50%	0.1	3	2.3%	6.5%	91.2%
2%	32%	64%	50%	0.2	3	4.1%	5.0%	90.9%
2%	32%	64%	50%	0.3	3	5.7%	3.6%	90.7%
2%	32%	64%	64%	0	1.5	0.3%	9.8%	89.8%
2%	32%	64%	64%	0.1	1.5	2.2%	8.4%	89.4%
2%	32%	64%	64%	0.2	1.5	4.0%	7.0%	88.9%
2%	32%	64%	64%	0.3	1.5	5.7%	5.8%	88.5%
2%	32%	64%	64%	0	3	0.6%	9.7%	89.8%
2%	32%	64%	64%	0.1	3	2.5%	8.2%	89.3%
2%	32%	64%	64%	0.2	3	4.3%	6.9%	88.9%
2%	32%	64%	64%	0.3	3	5.9%	5.6%	88.5%
2%	32%	64%	78%	0	1.5	0.4%	11.4%	88.3%
2%	32%	64%	78%	0.1	1.5	2.5%	9.9%	87.6%
2%	32%	64%	78%	0.2	1.5	4.5%	8.5%	87.0%
2%	32%	64%	78%	0.3	1.5	6.4%	7.2%	86.4%
2%	32%	64%	78%	0	3	0.6%	15.6%	83.7%
2%	32%	64%	78%	0.1	3	2.4%	14.4%	83.2%
2%	32%	64%	78%	0.2	3	4.1%	13.1%	82.7%

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(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
2%	32%	64%	78%	0.3	3	5.8%	12.0%	82.2%
2%	32%	78%	50%	0	1.5	0.3%	8.8%	90.9%
2%	32%	78%	50%	0.1	1.5	2.1%	7.3%	90.6%
2%	32%	78%	50%	0.2	1.5	3.8%	5.9%	90.3%
2%	32%	78%	50%	0.3	1.5	5.4%	4.6%	90.0%
2%	32%	78%	50%	0	3	0.5%	6.0%	93.6%
2%	32%	78%	50%	0.1	3	2.7%	4.1%	93.2%
2%	32%	78%	50%	0.2	3	4.8%	2.3%	92.9%
2%	32%	78%	50%	0.3	3	6.8%	0.6%	92.6%
2%	32%	78%	64%	0	1.5	0.4%	8.7%	91.0%
2%	32%	78%	64%	0.1	1.5	2.5%	7.1%	90.4%
2%	32%	78%	64%	0.2	1.5	4.5%	5.7%	89.8%
2%	32%	78%	64%	0.3	1.5	6.4%	4.3%	89.3%
2%	32%	78%	64%	0	3	0.6%	5.2%	94.1%
2%	32%	78%	64%	0.1	3	3.1%	3.4%	93.5%
2%	32%	78%	64%	0.2	3	5.3%	1.8%	92.9%
2%	32%	78%	64%	0.3	3	7.5%	0.2%	92.3%
2%	32%	78%	78%	0	1.5	0.4%	9.8%	89.8%
2%	32%	78%	78%	0.1	1.5	2.8%	8.2%	89.0%
2%	32%	78%	78%	0.2	1.5	5.1%	6.7%	88.2%
2%	32%	78%	78%	0.3	1.5	7.3%	5.2%	87.5%
2%	32%	78%	78%	0	3	0.8%	9.6%	89.6%
2%	32%	78%	78%	0.1	3	3.2%	8.0%	88.9%
2%	32%	78%	78%	0.2	3	5.4%	6.5%	88.1%
2%	32%	78%	78%	0.3	3	7.6%	5.0%	87.4%
2%	40%	50%	50%	0	1.5	0.2%	12.4%	87.4%
2%	40%	50%	50%	0.1	1.5	2.1%	10.7%	87.2%
2%	40%	50%	50%	0.2	1.5	3.8%	9.2%	87.0%
2%	40%	50%	50%	0.3	1.5	5.3%	7.8%	86.9%
2%	40%	50%	50%	0	3	0.4%	12.2%	87.4%
2%	40%	50%	50%	0.1	3	2.3%	10.6%	87.2%
2%	40%	50%	50%	0.2	3	3.9%	9.1%	87.0%
2%	40%	50%	50%	0.3	3	5.5%	7.7%	86.8%
2%	40%	50%	64%	0	1.5	0.3%	13.0%	86.8%
2%	40%	50%	64%	0.1	1.5	2.3%	11.3%	86.4%
2%	40%	50%	64%	0.2	1.5	4.3%	9.7%	86.0%
2%	40%	50%	64%	0.3	1.5	6.0%	8.3%	85.7%
2%	40%	50%	64%	0	3	0.5%	14.6%	85.0%
2%	40%	50%	64%	0.1	3	2.3%	13.1%	84.6%
2%	40%	50%	64%	0.2	3	3.9%	11.7%	84.3%
2%	40%	50%	64%	0.3	3	5.5%	10.5%	84.1%
2%	40%	50%	78%	0	1.5	0.3%	14.2%	85.5%
2%	40%	50%	78%	0.1	1.5	2.5%	12.5%	85.0%
2%	40%	50%	78%	0.2	1.5	4.6%	10.9%	84.5%
2%	40%	50%	78%	0.3	1.5	6.5%	9.4%	84.1%
2%	40%	50%	78%	0	3	0.5%	18.7%	80.8%
2%	40%	50%	78%	0.1	3	2.2%	17.3%	80.5%

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Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
	%	Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
2%	40%	50%	78%	0.2	3	3.8%	16.0%	80.1%
2%	40%	50%	78%	0.3	3	5.3%	14.8%	79.9%
2%	40%	64%	50%	0	1.5	0.3%	11.9%	87.9%
2%	40%	64%	50%	0.1	1.5	2.4%	10.1%	87.5%
2%	40%	64%	50%	0.2	1.5	4.4%	8.4%	87.2%
2%	40%	64%	50%	0.3	1.5	6.2%	6.9%	86.9%
2%	40%	64%	50%	0	3	0.5%	10.2%	89.3%
2%	40%	64%	50%	0.1	3	2.9%	8.2%	88.9%
2%	40%	64%	50%	0.2	3	5.0%	6.4%	88.6%
2%	40%	64%	50%	0.3	3	7.1%	4.7%	88.2%
2%	40%	64%	64%	0	1.5	0.3%	12.3%	87.3%
2%	40%	64%	64%	0.1	1.5	2.8%	10.5%	86.7%
2%	40%	64%	64%	0.2	1.5	5.0%	8.8%	86.2%
2%	40%	64%	64%	0.3	1.5	7.1%	7.2%	85.7%
2%	40%	64%	64%	0	3	0.6%	12.1%	87.3%
2%	40%	64%	64%	0.1	3	3.0%	10.3%	86.7%
2%	40%	64%	64%	0.2	3	5.3%	8.6%	86.1%
2%	40%	64%	64%	0.3	3	7.4%	7.0%	85.6%
2%	40%	64%	78%	0	1.5	0.4%	13.9%	85.7%
2%	40%	64%	78%	0.1	1.5	3.0%	12.1%	84.9%
2%	40%	64%	78%	0.2	1.5	5.5%	10.3%	84.2%
2%	40%	64%	78%	0.3	1.5	7.8%	8.7%	83.5%
2%	40%	64%	78%	0	3	0.7%	18.2%	81.1%
2%	40%	64%	78%	0.1	3	3.0%	16.6%	80.4%
2%	40%	64%	78%	0.2	3	5.1%	15.1%	79.8%
2%	40%	64%	78%	0.3	3	7.2%	13.6%	79.2%
2%	40%	78%	50%	0	1.5	0.3%	11.1%	88.6%
2%	40%	78%	50%	0.1	1.5	2.7%	9.1%	88.2%
2%	40%	78%	50%	0.2	1.5	4.9%	7.4%	87.8%
2%	40%	78%	50%	0.3	1.5	6.9%	5.7%	87.4%
2%	40%	78%	50%	0	3	0.5%	7.5%	92.0%
2%	40%	78%	50%	0.1	3	3.4%	5.1%	91.5%
2%	40%	78%	50%	0.2	3	6.0%	2.9%	91.1%
2%	40%	78%	50%	0.3	3	8.5%	0.9%	90.6%
2%	40%	78%	64%	0	1.5	0.4%	11.0%	88.6%
2%	40%	78%	64%	0.1	1.5	3.1%	9.0%	87.9%
2%	40%	78%	64%	0.2	1.5	5.7%	7.2%	87.2%
2%	40%	78%	64%	0.3	1.5	8.1%	5.4%	86.5%
2%	40%	78%	64%	0	3	0.7%	6.9%	92.4%
2%	40%	78%	64%	0.1	3	3.7%	4.7%	91.6%
2%	40%	78%	64%	0.2	3	6.6%	2.6%	90.8%
2%	40%	78%	64%	0.3	3	9.3%	0.6%	90.1%
2%	40%	78%	78%	0	1.5	0.5%	12.3%	87.3%
2%	40%	78%	78%	0.1	1.5	3.5%	10.3%	86.2%
2%	40%	78%	78%	0.2	1.5	6.3%	8.4%	85.3%
2%	40%	78%	78%	0.3	1.5	9.1%	6.6%	84.4%
2%	40%	78%	78%	0	3	0.9%	12.0%	87.1%

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost					% of Increm. SFAS 106 Costs	
	%	as % Total Cost						
% Chg.	Empl.	Subj to	Not	Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Subj	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106		Elast.	Demand	GNP-PI	Effects	Sources
2%	40%	78%	78%	0.1	3	3.9%	10.0%	86.1%
2%	40%	78%	78%	0.2	3	6.7%	8.1%	85.2%
2%	40%	78%	78%	0.3	3	9.4%	6.3%	84.2%
3%	24%	50%	50%	0	1.5	0.4%	10.9%	88.7%
3%	24%	50%	50%	0.1	1.5	2.1%	9.5%	88.5%
3%	24%	50%	50%	0.2	1.5	3.6%	8.1%	88.3%
3%	24%	50%	50%	0.3	1.5	4.9%	6.9%	88.2%
3%	24%	50%	50%	0	3	0.7%	10.7%	88.6%
3%	24%	50%	50%	0.1	3	2.3%	9.2%	88.5%
3%	24%	50%	50%	0.2	3	3.8%	7.9%	88.3%
3%	24%	50%	50%	0.3	3	5.2%	6.7%	88.2%
3%	24%	50%	64%	0	1.5	0.5%	11.7%	87.8%
3%	24%	50%	64%	0.1	1.5	2.4%	10.2%	87.4%
3%	24%	50%	64%	0.2	1.5	4.2%	8.8%	87.0%
3%	24%	50%	64%	0.3	1.5	5.8%	7.5%	86.7%
3%	24%	50%	64%	0	3	0.8%	13.9%	85.3%
3%	24%	50%	64%	0.1	3	2.4%	12.6%	85.0%
3%	24%	50%	64%	0.2	3	3.9%	11.4%	84.7%
3%	24%	50%	64%	0.3	3	5.2%	10.3%	84.4%
3%	24%	50%	78%	0	1.5	0.6%	13.8%	85.7%
3%	24%	50%	78%	0.1	1.5	2.6%	12.3%	85.1%
3%	24%	50%	78%	0.2	1.5	4.6%	10.8%	84.6%
3%	24%	50%	78%	0.3	1.5	6.5%	9.4%	84.1%
3%	24%	50%	78%	0	3	0.9%	21.0%	78.2%
3%	24%	50%	78%	0.1	3	2.3%	19.8%	77.8%
3%	24%	50%	78%	0.2	3	3.7%	18.8%	77.5%
3%	24%	50%	78%	0.3	3	5.0%	17.8%	77.2%
3%	24%	64%	50%	0	1.5	0.5%	10.4%	89.1%
3%	24%	64%	50%	0.1	1.5	2.3%	8.9%	88.8%
3%	24%	64%	50%	0.2	1.5	4.0%	7.4%	88.6%
3%	24%	64%	50%	0.3	1.5	5.6%	6.1%	88.4%
3%	24%	64%	50%	0	3	0.8%	8.8%	90.4%
3%	24%	64%	50%	0.1	3	2.9%	7.0%	90.1%
3%	24%	64%	50%	0.2	3	4.8%	5.3%	89.9%
3%	24%	64%	50%	0.3	3	6.6%	3.8%	89.6%
3%	24%	64%	64%	0	1.5	0.6%	10.9%	88.5%
3%	24%	64%	64%	0.1	1.5	2.7%	9.3%	88.0%
3%	24%	64%	64%	0.2	1.5	4.7%	7.7%	87.5%
3%	24%	64%	64%	0.3	1.5	6.6%	6.3%	87.1%
3%	24%	64%	64%	0	3	1.1%	10.5%	88.4%
3%	24%	64%	64%	0.1	3	3.2%	8.9%	87.9%
3%	24%	64%	64%	0.2	3	5.2%	7.4%	87.4%
3%	24%	64%	64%	0.3	3	7.0%	6.0%	87.0%
3%	24%	64%	78%	0	1.5	0.7%	13.0%	86.4%
3%	24%	64%	78%	0.1	1.5	3.1%	11.3%	85.6%
3%	24%	64%	78%	0.2	1.5	5.3%	9.7%	84.9%
3%	24%	64%	78%	0.3	1.5	7.5%	8.3%	84.2%

Godwins

(1) % Chg. Labor Cost	(2) % Empl. Subj to FAS 106	(3) Labor Cost as % Total Cost — Subj to FAS 106	(4) Not Subj	(5) Labor Supply Elast.	(6) Price Elast. Demand	(A) % of Increm. SFAS 106 Costs — Reflected in GNP-PI	(B) Other Macroecon. Effects	(C) To be met by Other Sources
3%	24%	64%	78%	0	3	1.2%	18.6%	80.2%
3%	24%	64%	78%	0.1	3	3.2%	17.2%	79.6%
3%	24%	64%	78%	0.2	3	5.1%	15.9%	79.0%
3%	24%	64%	78%	0.3	3	6.9%	14.7%	78.5%
3%	24%	78%	50%	0	1.5	0.5%	9.8%	89.7%
3%	24%	78%	50%	0.1	1.5	2.5%	8.1%	89.4%
3%	24%	78%	50%	0.2	1.5	4.4%	6.5%	89.1%
3%	24%	78%	50%	0.3	1.5	6.1%	5.1%	88.8%
3%	24%	78%	50%	0	3	0.9%	6.5%	92.7%
3%	24%	78%	50%	0.1	3	3.4%	4.3%	92.3%
3%	24%	78%	50%	0.2	3	5.7%	2.3%	91.9%
3%	24%	78%	50%	0.3	3	7.9%	0.5%	91.6%
3%	24%	78%	64%	0	1.5	0.7%	9.5%	89.8%
3%	24%	78%	64%	0.1	1.5	3.0%	7.8%	89.2%
3%	24%	78%	64%	0.2	1.5	5.3%	6.1%	88.6%
3%	24%	78%	64%	0.3	1.5	7.4%	4.6%	88.0%
3%	24%	78%	64%	0	3	1.2%	5.3%	93.5%
3%	24%	78%	64%	0.1	3	3.9%	3.3%	92.8%
3%	24%	78%	64%	0.2	3	6.4%	1.4%	92.2%
3%	24%	78%	64%	0.3	3	8.8%	-0.3%	91.5%
3%	24%	78%	78%	0	1.5	0.8%	10.8%	88.4%
3%	24%	78%	78%	0.1	1.5	3.5%	9.0%	87.5%
3%	24%	78%	78%	0.2	1.5	6.0%	7.3%	86.7%
3%	24%	78%	78%	0.3	1.5	8.5%	5.7%	85.8%
3%	24%	78%	78%	0	3	1.5%	10.3%	88.2%
3%	24%	78%	78%	0.1	3	4.1%	8.6%	87.3%
3%	24%	78%	78%	0.2	3	6.6%	6.9%	86.4%
3%	24%	78%	78%	0.3	3	9.0%	5.3%	85.6%
3%	32%	50%	50%	0	1.5	0.5%	14.6%	84.9%
3%	32%	50%	50%	0.1	1.5	2.7%	12.6%	84.7%
3%	32%	50%	50%	0.2	1.5	4.7%	10.8%	84.5%
3%	32%	50%	50%	0.3	1.5	6.5%	9.2%	84.3%
3%	32%	50%	50%	0	3	0.8%	14.3%	84.9%
3%	32%	50%	50%	0.1	3	3.0%	12.3%	84.6%
3%	32%	50%	50%	0.2	3	5.0%	10.6%	84.4%
3%	32%	50%	50%	0.3	3	6.8%	8.9%	84.2%
3%	32%	50%	64%	0	1.5	0.6%	15.5%	83.9%
3%	32%	50%	64%	0.1	1.5	3.1%	13.5%	83.4%
3%	32%	50%	64%	0.2	1.5	5.4%	11.6%	83.0%
3%	32%	50%	64%	0.3	1.5	7.5%	9.9%	82.6%
3%	32%	50%	64%	0	3	1.0%	17.8%	81.3%
3%	32%	50%	64%	0.1	3	3.1%	16.0%	80.9%
3%	32%	50%	64%	0.2	3	5.1%	14.5%	80.5%
3%	32%	50%	64%	0.3	3	6.9%	13.0%	80.1%
3%	32%	50%	78%	0	1.5	0.7%	17.5%	81.9%
3%	32%	50%	78%	0.1	1.5	3.4%	15.4%	81.2%
3%	32%	50%	78%	0.2	1.5	5.9%	13.5%	80.6%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
3%	32%	50%	78%	0.3	1.5	8.3%	11.7%	80.0%
3%	32%	50%	78%	0	3	1.0%	24.6%	74.4%
3%	32%	50%	78%	0.1	3	3.0%	23.0%	74.0%
3%	32%	50%	78%	0.2	3	4.9%	21.5%	73.6%
3%	32%	50%	78%	0.3	3	6.7%	20.1%	73.2%
3%	32%	64%	50%	0	1.5	0.6%	14.0%	85.5%
3%	32%	64%	50%	0.1	1.5	3.1%	11.8%	85.1%
3%	32%	64%	50%	0.2	1.5	5.4%	9.9%	84.8%
3%	32%	64%	50%	0.3	1.5	7.5%	8.1%	84.4%
3%	32%	64%	50%	0	3	1.0%	11.8%	87.2%
3%	32%	64%	50%	0.1	3	3.8%	9.4%	86.8%
3%	32%	64%	50%	0.2	3	6.4%	7.2%	86.4%
3%	32%	64%	50%	0.3	3	8.7%	5.2%	86.1%
3%	32%	64%	64%	0	1.5	0.7%	14.5%	84.8%
3%	32%	64%	64%	0.1	1.5	3.6%	12.4%	84.1%
3%	32%	64%	64%	0.2	1.5	6.2%	10.4%	83.4%
3%	32%	64%	64%	0.3	1.5	8.8%	8.5%	82.8%
3%	32%	64%	64%	0	3	1.3%	14.1%	84.6%
3%	32%	64%	64%	0.1	3	4.1%	12.0%	83.9%
3%	32%	64%	64%	0.2	3	6.7%	10.0%	83.3%
3%	32%	64%	64%	0.3	3	9.2%	8.1%	82.7%
3%	32%	64%	78%	0	1.5	0.8%	16.8%	82.4%
3%	32%	64%	78%	0.1	1.5	4.0%	14.6%	81.4%
3%	32%	64%	78%	0.2	1.5	6.9%	12.6%	80.5%
3%	32%	64%	78%	0.3	1.5	9.8%	10.6%	79.6%
3%	32%	64%	78%	0	3	1.4%	23.0%	75.6%
3%	32%	64%	78%	0.1	3	4.1%	21.1%	74.8%
3%	32%	64%	78%	0.2	3	6.6%	19.3%	74.1%
3%	32%	64%	78%	0.3	3	9.0%	17.6%	73.4%
3%	32%	78%	50%	0	1.5	0.6%	13.0%	86.3%
3%	32%	78%	50%	0.1	1.5	3.4%	10.8%	85.9%
3%	32%	78%	50%	0.2	1.5	5.9%	8.7%	85.4%
3%	32%	78%	50%	0.3	1.5	8.3%	6.7%	85.0%
3%	32%	78%	50%	0	3	1.0%	8.6%	90.3%
3%	32%	78%	50%	0.1	3	4.4%	5.8%	89.8%
3%	32%	78%	50%	0.2	3	7.6%	3.2%	89.3%
3%	32%	78%	50%	0.3	3	10.5%	0.7%	88.8%
3%	32%	78%	64%	0	1.5	0.8%	12.8%	86.4%
3%	32%	78%	64%	0.1	1.5	4.0%	10.5%	85.5%
3%	32%	78%	64%	0.2	1.5	7.0%	8.3%	84.7%
3%	32%	78%	64%	0.3	1.5	9.9%	6.2%	83.9%
3%	32%	78%	64%	0	3	1.4%	7.5%	91.1%
3%	32%	78%	64%	0.1	3	5.0%	4.8%	90.1%
3%	32%	78%	64%	0.2	3	8.4%	2.3%	89.2%
3%	32%	78%	64%	0.3	3	11.6%	-0.0%	88.4%
3%	32%	78%	78%	0	1.5	0.9%	14.4%	84.6%
3%	32%	78%	78%	0.1	1.5	4.5%	12.1%	83.4%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
3%	32%	78%	78%	0.2	1.5	7.9%	9.8%	82.3%
3%	32%	78%	78%	0.3	1.5	11.2%	7.7%	81.2%
3%	32%	78%	78%	0	3	1.8%	13.9%	84.3%
3%	32%	78%	78%	0.1	3	5.3%	11.6%	83.1%
3%	32%	78%	78%	0.2	3	8.7%	9.3%	82.0%
3%	32%	78%	78%	0.3	3	11.9%	7.2%	80.9%
3%	40%	50%	50%	0	1.5	0.5%	18.3%	81.2%
3%	40%	50%	50%	0.1	1.5	3.3%	15.8%	80.9%
3%	40%	50%	50%	0.2	1.5	5.8%	13.6%	80.6%
3%	40%	50%	50%	0.3	1.5	8.1%	11.5%	80.4%
3%	40%	50%	50%	0	3	0.9%	17.9%	81.1%
3%	40%	50%	50%	0.1	3	3.7%	15.5%	80.8%
3%	40%	50%	50%	0.2	3	6.1%	13.3%	80.6%
3%	40%	50%	50%	0.3	3	8.4%	11.3%	80.3%
3%	40%	50%	64%	0	1.5	0.6%	19.2%	80.2%
3%	40%	50%	64%	0.1	1.5	3.7%	16.7%	79.6%
3%	40%	50%	64%	0.2	1.5	6.5%	14.4%	79.1%
3%	40%	50%	64%	0.3	1.5	9.2%	12.2%	78.6%
3%	40%	50%	64%	0	3	1.1%	21.4%	77.5%
3%	40%	50%	64%	0.1	3	3.7%	19.3%	77.0%
3%	40%	50%	64%	0.2	3	6.2%	17.2%	76.6%
3%	40%	50%	64%	0.3	3	8.5%	15.4%	76.2%
3%	40%	50%	78%	0	1.5	0.7%	21.0%	78.3%
3%	40%	50%	78%	0.1	1.5	4.0%	18.4%	77.6%
3%	40%	50%	78%	0.2	1.5	7.1%	16.1%	76.8%
3%	40%	50%	78%	0.3	1.5	10.0%	13.9%	76.2%
3%	40%	50%	78%	0	3	1.1%	27.6%	71.3%
3%	40%	50%	78%	0.1	3	3.6%	25.6%	70.8%
3%	40%	50%	78%	0.2	3	6.0%	23.7%	70.3%
3%	40%	50%	78%	0.3	3	8.3%	21.9%	69.9%
3%	40%	64%	50%	0	1.5	0.6%	17.5%	81.9%
3%	40%	64%	50%	0.1	1.5	3.8%	14.9%	81.3%
3%	40%	64%	50%	0.2	1.5	6.7%	12.4%	80.9%
3%	40%	64%	50%	0.3	1.5	9.4%	10.2%	80.4%
3%	40%	64%	50%	0	3	1.1%	15.0%	83.9%
3%	40%	64%	50%	0.1	3	4.6%	12.0%	83.4%
3%	40%	64%	50%	0.2	3	7.9%	9.3%	82.9%
3%	40%	64%	50%	0.3	3	10.8%	6.8%	82.4%
3%	40%	64%	64%	0	1.5	0.8%	18.2%	81.0%
3%	40%	64%	64%	0.1	1.5	4.4%	15.5%	80.1%
3%	40%	64%	64%	0.2	1.5	7.7%	13.0%	79.3%
3%	40%	64%	64%	0.3	1.5	10.9%	10.6%	78.5%
3%	40%	64%	64%	0	3	1.4%	17.7%	80.9%
3%	40%	64%	64%	0.1	3	4.9%	15.1%	80.0%
3%	40%	64%	64%	0.2	3	8.3%	12.6%	79.2%
3%	40%	64%	64%	0.3	3	11.4%	10.2%	78.4%
3%	40%	64%	78%	0	1.5	0.9%	20.6%	78.6%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
3%	40%	64%	78%	0.1	1.5	4.8%	17.8%	77.4%
3%	40%	64%	78%	0.2	1.5	8.5%	15.2%	76.3%
3%	40%	64%	78%	0.3	1.5	12.0%	12.8%	75.3%
3%	40%	64%	78%	0	3	1.6%	26.8%	71.6%
3%	40%	64%	78%	0.1	3	4.9%	24.4%	70.6%
3%	40%	64%	78%	0.2	3	8.1%	22.1%	69.7%
3%	40%	64%	78%	0.3	3	11.2%	20.0%	68.9%
3%	40%	78%	50%	0	1.5	0.7%	16.3%	83.0%
3%	40%	78%	50%	0.1	1.5	4.2%	13.5%	82.3%
3%	40%	78%	50%	0.2	1.5	7.5%	10.8%	81.7%
3%	40%	78%	50%	0.3	1.5	10.6%	8.3%	81.1%
3%	40%	78%	50%	0	3	1.1%	10.9%	88.0%
3%	40%	78%	50%	0.1	3	5.4%	7.4%	87.3%
3%	40%	78%	50%	0.2	3	9.3%	4.1%	86.6%
3%	40%	78%	50%	0.3	3	13.0%	1.0%	86.0%
3%	40%	78%	64%	0	1.5	0.9%	16.2%	83.0%
3%	40%	78%	64%	0.1	1.5	4.9%	13.2%	81.8%
3%	40%	78%	64%	0.2	1.5	8.8%	10.5%	80.7%
3%	40%	78%	64%	0.3	1.5	12.4%	7.9%	79.7%
3%	40%	78%	64%		3	1.6%	9.9%	88.5%
3%	40%	78%	64%	0.	3	6.1%	6.7%	87.3%
3%	40%	78%	64%	0.2	3	10.3%	3.6%	86.1%
3%	40%	78%	64%	0.3	3	14.3%	0.6%	85.0%
3%	40%	78%	78%	0	1.5	1.0%	18.1%	80.9%
3%	40%	78%	78%	0.1	1.5	5.5%	15.2%	79.3%
3%	40%	78%	78%	0.2	1.5	9.8%	12.3%	77.9%
3%	40%	78%	78%	0.3	1.5	13.8%	9.6%	76.5%
3%	40%	78%	78%	0	3	2.0%	17.5%	80.5%
3%	40%	78%	78%	0.1	3	6.4%	14.6%	79.0%
3%	40%	78%	78%	0.2	3	10.6%	11.8%	77.6%
3%	40%	78%	78%	0.3	3	14.6%	9.1%	76.3%
4.5%	24%	50%	50%	0	1.5	0.9%	16.1%	83.1%
4.5%	24%	50%	50%	0.1	1.5	3.3%	13.9%	82.8%
4.5%	24%	50%	50%	0.2	1.5	5.6%	11.9%	82.6%
4.5%	24%	50%	50%	0.3	1.5	7.6%	10.1%	82.3%
4.5%	24%	50%	50%	0	3	1.5%	15.5%	83.0%
4.5%	24%	50%	50%	0.1	3	3.9%	13.3%	82.7%
4.5%	24%	50%	50%	0.2	3	6.1%	11.4%	82.5%
4.5%	24%	50%	50%	0.3	3	8.1%	9.6%	82.3%
4.5%	24%	50%	64%	0	1.5	1.1%	17.2%	81.7%
4.5%	24%	50%	64%	0.1	1.5	3.9%	15.0%	81.1%
4.5%	24%	50%	64%	0.2	1.5	6.5%	12.9%	80.5%
4.5%	24%	50%	64%	0.3	1.5	8.9%	11.0%	80.0%
4.5%	24%	50%	64%	0	3	1.8%	20.2%	78.0%
4.5%	24%	50%	64%	0.1	3	4.1%	18.3%	77.5%
4.5%	24%	50%	64%	0.2	3	6.3%	16.6%	77.1%
4.5%	24%	50%	64%	0.3	3	8.3%	15.0%	76.7%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
	%	Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
4.5%	24%	50%	78%	0	1.5	1.2%	20.3%	78.5%
4.5%	24%	50%	78%	0.1	1.5	4.3%	18.0%	77.7%
4.5%	24%	50%	78%	0.2	1.5	7.2%	15.8%	76.9%
4.5%	24%	50%	78%	0.3	1.5	10.0%	13.8%	76.2%
4.5%	24%	50%	78%	0	3	1.9%	30.7%	67.4%
4.5%	24%	50%	78%	0.1	3	4.1%	29.1%	66.9%
4.5%	24%	50%	78%	0.2	3	6.1%	27.5%	66.4%
4.5%	24%	50%	78%	0.3	3	8.0%	26.0%	66.0%
4.5%	24%	64%	50%	0	1.5	1.0%	15.3%	83.7%
4.5%	24%	64%	50%	0.1	1.5	3.8%	12.9%	83.3%
4.5%	24%	64%	50%	0.2	1.5	6.3%	10.8%	83.0%
4.5%	24%	64%	50%	0.3	1.5	8.6%	8.8%	82.6%
4.5%	24%	64%	50%	0	3	1.8%	12.6%	85.6%
4.5%	24%	64%	50%	0.1	3	4.9%	9.9%	85.2%
4.5%	24%	64%	50%	0.2	3	7.7%	7.5%	84.8%
4.5%	24%	64%	50%	0.3	3	10.3%	5.2%	84.4%
4.5%	24%	64%	64%	0	1.5	1.3%	15.9%	82.8%
4.5%	24%	64%	64%	0.1	1.5	4.5%	13.5%	82.0%
4.5%	24%	64%	64%	0.2	1.5	7.4%	11.3%	81.3%
4.5%	24%	64%	64%	0.3	1.5	10.2%	9.2%	80.6%
4.5%	24%	64%	64%	0	3	2.3%	15.1%	82.6%
4.5%	24%	64%	64%	0.1	3	5.4%	12.8%	81.8%
4.5%	24%	64%	64%	0.2	3	8.4%	10.6%	81.1%
4.5%	24%	64%	64%	0.3	3	11.1%	8.5%	80.4%
4.5%	24%	64%	78%	0	1.5	1.5%	19.0%	79.5%
4.5%	24%	64%	78%	0.1	1.5	5.0%	16.6%	78.4%
4.5%	24%	64%	78%	0.2	1.5	8.4%	14.2%	77.4%
4.5%	24%	64%	78%	0.3	1.5	11.6%	12.0%	76.4%
4.5%	24%	64%	78%	0	3	2.6%	27.1%	70.2%
4.5%	24%	64%	78%	0.1	3	5.6%	25.1%	69.4%
4.5%	24%	64%	78%	0.2	3	8.3%	23.2%	68.5%
4.5%	24%	64%	78%	0.3	3	11.0%	21.3%	67.7%
4.5%	24%	78%	50%	0	1.5	1.1%	14.3%	84.6%
4.5%	24%	78%	50%	0.1	1.5	4.1%	11.8%	84.1%
4.5%	24%	78%	50%	0.2	1.5	6.9%	9.5%	83.6%
4.5%	24%	78%	50%	0.3	1.5	9.4%	7.3%	83.2%
4.5%	24%	78%	50%	0	3	2.0%	9.1%	88.9%
4.5%	24%	78%	50%	0.1	3	5.7%	5.9%	88.4%
4.5%	24%	78%	50%	0.2	3	9.1%	3.0%	87.9%
4.5%	24%	78%	50%	0.3	3	12.3%	0.3%	87.4%
4.5%	24%	78%	64%	0	1.5	1.4%	13.9%	84.7%
4.5%	24%	78%	64%	0.1	1.5	5.0%	11.3%	83.7%
4.5%	24%	78%	64%	0.2	1.5	8.3%	8.9%	82.9%
4.5%	24%	78%	64%	0.3	1.5	11.4%	6.6%	82.0%
4.5%	24%	78%	64%	0	3	2.6%	7.3%	90.0%
4.5%	24%	78%	64%	0.1	3	6.6%	4.4%	89.0%
4.5%	24%	78%	64%	0.2	3	10.3%	1.6%	88.0%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	% Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
4.5%	24%	78%	64%	0.3	3	13.9%	-1.0%	87.1%
4.5%	24%	78%	78%	0	1.5	1.7%	15.8%	82.5%
4.5%	24%	78%	78%	0.1	1.5	5.7%	13.1%	81.2%
4.5%	24%	78%	78%	0.2	1.5	9.5%	10.6%	79.9%
4.5%	24%	78%	78%	0.3	1.5	13.1%	8.2%	78.7%
4.5%	24%	78%	78%	0	3	3.3%	14.7%	82.0%
4.5%	24%	78%	78%	0.1	3	7.1%	12.2%	80.7%
4.5%	24%	78%	78%	0.2	3	10.9%	9.7%	79.4%
4.5%	24%	78%	78%	0.3	3	14.4%	7.4%	78.2%
4.5%	32%	50%	50%	0	1.5	1.0%	21.5%	77.5%
4.5%	32%	50%	50%	0.1	1.5	4.3%	18.5%	77.1%
4.5%	32%	50%	50%	0.2	1.5	7.3%	15.9%	76.8%
4.5%	32%	50%	50%	0.3	1.5	10.0%	13.5%	76.5%
4.5%	32%	50%	50%	0	3	1.8%	20.8%	77.4%
4.5%	32%	50%	50%	0.1	3	5.0%	17.9%	77.1%
4.5%	32%	50%	50%	0.2	3	8.0%	15.3%	76.7%
4.5%	32%	50%	50%	0.3	3	10.7%	12.9%	76.4%
4.5%	32%	50%	64%	0	1.5	1.3%	22.7%	76.0%
4.5%	32%	50%	64%	0.1	1.5	5.0%	19.8%	75.2%
4.5%	32%	50%	64%	0.2	1.5	8.4%	17.0%	74.6%
4.5%	32%	50%	64%	0.3	1.5	11.6%	14.5%	73.9%
4.5%	32%	50%	64%	0	3	2.2%	25.9%	72.0%
4.5%	32%	50%	64%	0.1	3	5.3%	23.4%	71.4%
4.5%	32%	50%	64%	0.2	3	8.2%	21.0%	70.8%
4.5%	32%	50%	64%	0.3	3	10.8%	18.9%	70.3%
4.5%	32%	50%	78%	0	1.5	1.4%	25.7%	72.9%
4.5%	32%	50%	78%	0.1	1.5	5.4%	22.7%	71.9%
4.5%	32%	50%	78%	0.2	1.5	9.2%	19.8%	70.9%
4.5%	32%	50%	78%	0.3	1.5	12.8%	17.2%	70.1%
4.5%	32%	50%	78%	0	3	2.2%	36.0%	61.7%
4.5%	32%	50%	78%	0.1	3	5.2%	33.7%	61.1%
4.5%	32%	50%	78%	0.2	3	7.9%	31.5%	60.5%
4.5%	32%	50%	78%	0.3	3	10.6%	29.5%	60.0%
4.5%	32%	64%	50%	0	1.5	1.2%	20.5%	78.3%
4.5%	32%	64%	50%	0.1	1.5	4.9%	17.3%	77.7%
4.5%	32%	64%	50%	0.2	1.5	8.4%	14.4%	77.2%
4.5%	32%	64%	50%	0.3	1.5	11.5%	11.8%	76.7%
4.5%	32%	64%	50%	0	3	2.1%	17.0%	80.8%
4.5%	32%	64%	50%	0.1	3	6.3%	13.5%	80.2%
4.5%	32%	64%	50%	0.2	3	10.1%	10.3%	79.6%
4.5%	32%	64%	50%	0.3	3	13.6%	7.3%	79.1%
4.5%	32%	64%	64%	0	1.5	1.5%	21.3%	77.2%
4.5%	32%	64%	64%	0.1	1.5	5.8%	18.1%	76.1%
4.5%	32%	64%	64%	0.2	1.5	9.8%	15.1%	75.1%
4.5%	32%	64%	64%	0.3	1.5	13.5%	12.3%	74.2%
4.5%	32%	64%	64%	0	3	2.8%	20.3%	76.9%
4.5%	32%	64%	64%	0.1	3	7.0%	17.2%	75.8%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost				% of Increm. SFAS 106 Costs		
	%	as % Total Cost						
% Chg.	Empl.			Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Not	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106	Subj	Elast.	Demand	GNP-PI	Effects	Sources
4.5%	32%	64%	64%	0.2	3	10.9%	14.3%	74.9%
4.5%	32%	64%	64%	0.3	3	14.5%	11.5%	73.9%
4.5%	32%	64%	78%	0	1.5	1.8%	24.7%	73.5%
4.5%	32%	64%	78%	0.1	1.5	6.4%	21.4%	72.1%
4.5%	32%	64%	78%	0.2	1.5	10.9%	18.4%	70.8%
4.5%	32%	64%	78%	0.3	1.5	15.1%	15.4%	69.5%
4.5%	32%	64%	78%	0	3	3.1%	33.6%	63.3%
4.5%	32%	64%	78%	0.1	3	7.1%	30.8%	62.2%
4.5%	32%	64%	78%	0.2	3	10.8%	28.1%	61.1%
4.5%	32%	64%	78%	0.3	3	14.4%	25.6%	60.0%
4.5%	32%	78%	50%	0	1.5	1.4%	19.1%	79.6%
4.5%	32%	78%	50%	0.1	1.5	5.5%	15.7%	78.8%
4.5%	32%	78%	50%	0.2	1.5	9.3%	12.6%	78.2%
4.5%	32%	78%	50%	0.3	1.5	12.8%	9.7%	77.5%
4.5%	32%	78%	50%	0	3	2.3%	12.2%	85.5%
4.5%	32%	78%	50%	0.1	3	7.3%	8.0%	84.7%
4.5%	32%	78%	50%	0.2	3	11.9%	4.2%	83.9%
4.5%	32%	78%	50%	0.3	3	16.2%	0.5%	83.2%
4.5%	32%	78%	64%	0	1.5	1.7%	18.7%	79.6%
4.5%	32%	78%	64%	0.1	1.5	6.5%	15.2%	78.3%
4.5%	32%	78%	64%	0.2	1.5	11.0%	12.0%	77.0%
4.5%	32%	78%	64%	0.3	1.5	15.2%	8.9%	75.9%
4.5%	32%	78%	64%	0	3	3.1%	10.4%	86.4%
4.5%	32%	78%	64%	0.1	3	8.5%	6.5%	85.0%
4.5%	32%	78%	64%	0.2	3	13.5%	2.9%	83.7%
4.5%	32%	78%	64%	0.3	3	18.2%	-0.6%	82.4%
4.5%	32%	78%	78%	0	1.5	2.1%	21.1%	76.8%
4.5%	32%	78%	78%	0.1	1.5	7.4%	17.6%	75.0%
4.5%	32%	78%	78%	0.2	1.5	12.4%	14.3%	73.3%
4.5%	32%	78%	78%	0.3	1.5	17.3%	11.0%	71.7%
4.5%	32%	78%	78%	0	3	3.9%	19.9%	76.2%
4.5%	32%	78%	78%	0.1	3	9.1%	16.4%	74.4%
4.5%	32%	78%	78%	0.2	3	14.1%	13.2%	72.8%
4.5%	32%	78%	78%	0.3	3	18.8%	10.0%	71.2%
4.5%	40%	50%	50%	0	1.5	1.2%	26.9%	72.0%
4.5%	40%	50%	50%	0.1	1.5	5.3%	23.2%	71.5%
4.5%	40%	50%	50%	0.2	1.5	9.0%	19.9%	71.1%
4.5%	40%	50%	50%	0.3	1.5	12.4%	16.9%	70.7%
4.5%	40%	50%	50%	0	3	2.0%	26.1%	71.9%
4.5%	40%	50%	50%	0.1	3	6.1%	22.5%	71.4%
4.5%	40%	50%	50%	0.2	3	9.7%	19.3%	71.0%
4.5%	40%	50%	50%	0.3	3	13.1%	16.3%	70.6%
4.5%	40%	50%	64%	0	1.5	1.4%	28.2%	70.4%
4.5%	40%	50%	64%	0.1	1.5	5.9%	24.5%	69.6%
4.5%	40%	50%	64%	0.2	1.5	10.2%	21.1%	68.8%
4.5%	40%	50%	64%	0.3	1.5	14.1%	17.9%	68.0%
4.5%	40%	50%	64%	0	3	2.4%	31.3%	66.3%

Godwins

(1) % Chg. Labor Cost	(2) % Empl. Subj to FAS 106	(3) Labor Cost as % Total Cost Subj to FAS 106	(4) Not Subj	(5) Labor Supply Elast.	(6) Price Elast. Demand	(A) % of Increm. SFAS 106 Costs Reflected in GNP-PI	(B) Other Macroecon. Effects	(C) To be met by Other Sources
4.5%	40%	50%	64%	0.1	3	6.3%	28.1%	65.6%
4.5%	40%	50%	64%	0.2	3	9.9%	25.1%	65.0%
4.5%	40%	50%	64%	0.3	3	13.3%	22.4%	64.3%
4.5%	40%	50%	78%	0	1.5	1.6%	30.8%	67.6%
4.5%	40%	50%	78%	0.1	1.5	6.4%	27.1%	66.5%
4.5%	40%	50%	78%	0.2	1.5	11.0%	23.6%	65.4%
4.5%	40%	50%	78%	0.3	1.5	15.3%	20.3%	64.4%
4.5%	40%	50%	78%	0	3	2.5%	40.5%	57.0%
4.5%	40%	50%	78%	0.1	3	6.2%	37.5%	56.3%
4.5%	40%	50%	78%	0.2	3	9.7%	34.7%	55.6%
4.5%	40%	50%	78%	0.3	3	13.0%	32.1%	55.0%
4.5%	40%	64%	50%	0	1.5	1.4%	25.7%	72.9%
4.5%	40%	64%	50%	0.1	1.5	6.1%	21.8%	72.2%
4.5%	40%	64%	50%	0.2	1.5	10.4%	18.1%	71.4%
4.5%	40%	64%	50%	0.3	1.5	14.4%	14.8%	70.8%
4.5%	40%	64%	50%	0	3	2.4%	21.6%	76.0%
4.5%	40%	64%	50%	0.1	3	7.6%	17.3%	75.1%
4.5%	40%	64%	50%	0.2	3	12.4%	13.2%	74.4%
4.5%	40%	64%	50%	0.3	3	16.8%	9.5%	73.6%
4.5%	40%	64%	64%	0	1.5	1.7%	26.7%	71.6%
4.5%	40%	64%	64%	0.1	1.5	7.0%	22.7%	70.3%
4.5%	40%	64%	64%	0.2	1.5	12.0%	19.0%	69.0%
4.5%	40%	64%	64%	0.3	1.5	16.7%	15.5%	67.9%
4.5%	40%	64%	64%	0	3	3.1%	25.7%	71.3%
4.5%	40%	64%	64%	0.1	3	8.3%	21.7%	69.9%
4.5%	40%	64%	64%	0.2	3	13.2%	18.0%	68.7%
4.5%	40%	64%	64%	0.3	3	17.8%	14.6%	67.6%
4.5%	40%	64%	78%	0	1.5	1.9%	30.2%	67.9%
4.5%	40%	64%	78%	0.1	1.5	7.7%	26.1%	66.2%
4.5%	40%	64%	78%	0.2	1.5	13.2%	22.3%	64.5%
4.5%	40%	64%	78%	0.3	1.5	18.4%	18.6%	63.0%
4.5%	40%	64%	78%	0	3	3.5%	39.2%	57.4%
4.5%	40%	64%	78%	0.1	3	8.4%	35.6%	56.0%
4.5%	40%	64%	78%	0.2	3	13.1%	32.3%	54.6%
4.5%	40%	64%	78%	0.3	3	17.6%	29.1%	53.3%
4.5%	40%	78%	50%	0	1.5	1.5%	23.9%	74.6%
4.5%	40%	78%	50%	0.1	1.5	6.8%	19.7%	73.6%
4.5%	40%	78%	50%	0.2	1.5	11.7%	15.7%	72.6%
4.5%	40%	78%	50%	0.3	1.5	16.2%	12.1%	71.7%
4.5%	40%	78%	50%	0	3	2.5%	15.5%	82.0%
4.5%	40%	78%	50%	0.1	3	8.8%	10.3%	80.9%
4.5%	40%	78%	50%	0.2	3	14.7%	5.5%	79.9%
4.5%	40%	78%	50%	0.3	3	20.1%	0.9%	78.9%
4.5%	40%	78%	64%	0	1.5	1.9%	23.6%	74.4%
4.5%	40%	78%	64%	0.1	1.5	8.0%	19.3%	72.7%
4.5%	40%	78%	64%	0.2	1.5	13.7%	15.2%	71.1%
4.5%	40%	78%	64%	0.3	1.5	19.0%	11.4%	69.6%

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(1) % Chg. Labor Cost	(2) % Empl. Subj to FAS 106	(3) Labor Cost as % Total Cost Subj to FAS 106	(4) Not Subj	(5) Labor Supply Elast.	(6) Price Elast. Demand	(A) Reflected in GNP-PI	(B) Other Macroecon. Effects	(C) To be met by Other Sources
4.5%	40%	78%	64%	0	3	3.5%	14.0%	82.5%
4.5%	40%	78%	64%	0.1	3	10.1%	9.1%	80.7%
4.5%	40%	78%	64%	0.2	3	16.4%	4.6%	79.0%
4.5%	40%	78%	64%	0.3	3	22.4%	0.3%	77.4%
4.5%	40%	78%	78%	0	1.5	2.3%	26.5%	71.2%
4.5%	40%	78%	78%	0.1	1.5	8.9%	22.1%	69.0%
4.5%	40%	78%	78%	0.2	1.5	15.2%	17.9%	66.8%
4.5%	40%	78%	78%	0.3	1.5	21.3%	13.9%	64.7%
4.5%	40%	78%	78%	0	3	4.4%	25.1%	70.5%
4.5%	40%	78%	78%	0.1	3	10.9%	20.8%	68.3%
4.5%	40%	78%	78%	0.2	3	17.1%	16.7%	66.2%
4.5%	40%	78%	78%	0.3	3	23.1%	12.8%	64.2%

EXHIBIT 3

Inputs:
  (1) Percentage increase in Labor Cost in Sector of Economy
       Subject to SFAS 106
  (2) Share of Employment in Sector Subject to SFAS 106
  (3) Labor Cost as a Share of Total Cost in Sector Subject to SFAS 106
  (4) Labor Cost as a Share of Total Cost in Sector Not Subject to SFAS 106
  (5) Labor Supply Elasticity for U.S. Economy
  (6) Price Elasticity of Demand in each Sector

Results:
  Percentage of Telco's Additional SFAS 106 Costs -
  (A) Reflected in GNP-PI
  (B) Financed by Potential Reductions in National Average Wage Rate
       and Other Macroeconomic Effects
  (C) To be Met by Other Sources

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost				% of Increm. SFAS 106 Costs		
	%	as % Total Cost						
% Chg.	Empl.			Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Not	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106	Subj	Elast.	Demand	GNP-PI	Effects	Sources
.2%	24%	50%	70%	0	1.5	0.2%	8.4%	91.3%
2%	24%	50%	70%	0.1	1.5	1.6%	7.4%	91.0%
2%	24%	50%	70%	0.2	1.5	2.8%	6.5%	90.7%
2%	24%	50%	70%	0.3	1.5	4.0%	5.6%	90.4%
2%	24%	50%	70%	0	3	0.4%	11.2%	88.4%
2%	24%	50%	70%	0.1	3	1.4%	10.4%	88.2%
2%	24%	50%	70%	0.2	3	2.4%	9.7%	88.0%
2%	24%	50%	70%	0.3	3	3.3%	9.0%	87.8%
2%	24%	64%	64%	0	1.5	0.3%	7.4%	92.4%
2%	24%	64%	64%	0.1	1.5	1.7%	6.3%	92.0%
2%	24%	64%	64%	0.2	1.5	3.1%	5.3%	91.7%
2%	24%	64%	64%	0.3	1.5	4.3%	4.3%	91.4%
2%	24%	64%	64%	0	3	0.5%	7.2%	92.3%
2%	24%	64%	64%	0.1	3	1.9%	6.1%	92.0%
2%	24%	64%	64%	0.2	3	3.2%	5.1%	91.6%
2%	24%	64%	64%	0.3	3	4.5%	4.2%	91.3%
2%	24%	78%	61%	0	1.5	0.3%	6.5%	93.3%
2%	24%	78%	61%	0.1	1.5	1.8%	5.3%	92.9%
2%	24%	78%	61%	0.2	1.5	3.3%	4.2%	92.5%
2%	24%	78%	61%	0.3	1.5	4.6%	3.2%	92.2%
2%	24%	78%	61%	0	3	0.5%	3.7%	95.8%
2%	24%	78%	61%	0.1	3	2.3%	2.3%	95.4%
2%	24%	78%	61%	0.2	3	4.0%	1.0%	95.0%
2%	24%	78%	61%	0.3	3	5.6%	-0.2%	94.6%
2%	32%	50%	74%	0	1.5	0.3%	11.3%	88.4%
2%	32%	50%	74%	0.1	1.5	2.1%	9.9%	88.0%

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(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost					% of Increm. SFAS 106 Costs	
	%	as % Total Cost						
% Chg.	Empl.			Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Not	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106	Subj	Elast.	Demand	GNP-PI	Effects	Sources
2%	32%	50%	74%	0.2	1.5	3.7%	8.7%	87.6%
2%	32%	50%	74%	0.3	1.5	5.3%	7.5%	87.2%
2%	32%	50%	74%	0	3	0.5%	15.0%	84.5%
2%	32%	50%	74%	0.1	3	1.8%	14.0%	84.2%
2%	32%	50%	74%	0.2	3	3.1%	13.0%	83.9%
2%	32%	50%	74%	0.3	3	4.3%	12.0%	83.7%
2%	32%	64%	64%	0	1.5	0.3%	9.8%	89.8%
2%	32%	64%	64%	0.1	1.5	2.2%	8.4%	89.4%
2%	32%	64%	64%	0.2	1.5	4.0%	7.0%	88.9%
2%	32%	64%	64%	0.3	1.5	5.7%	5.8%	88.5%
2%	32%	64%	64%	0	3	0.6%	9.7%	89.8%
2%	32%	64%	64%	0.1	3	2.5%	8.2%	89.3%
2%	32%	64%	64%	0.2	3	4.3%	6.9%	88.9%
2%	32%	64%	64%	0.3	3	5.9%	5.6%	88.5%
2%	32%	78%	59%	0	1.5	0.3%	8.7%	91.0%
2%	32%	78%	59%	0.1	1.5	2.4%	7.1%	90.5%
2%	32%	78%	59%	0.2	1.5	4.3%	5.6%	90.1%
2%	32%	78%	59%	0.3	1.5	6.1%	4.3%	89.6%
2%	32%	78%	59%	0	3	0.6%	5.1%	94.3%
2%	32%	78%	59%	0.1	3	3.0%	3.3%	93.7%
2%	32%	78%	59%	0.2	3	5.2%	1.6%	93.2%
2%	32%	78%	59%	0.3	3	7.3%	-0.1%	92.7%
2%	40%	50%	79%	0	1.5	0.3%	14.2%	85.4%
2%	40%	50%	79%	0.1	1.5	2.5%	12.5%	84.9%
2%	40%	50%	79%	0.2	1.5	4.6%	10.9%	84.4%
2%	40%	50%	79%	0.3	1.5	6.6%	9.5%	84.0%
2%	40%	50%	79%	0	3	0.5%	18.9%	80.6%
2%	40%	50%	79%	0.1	3	2.2%	17.6%	80.2%
2%	40%	50%	79%	0.2	3	3.8%	16.3%	79.9%
2%	40%	50%	79%	0.3	3	5.3%	15.1%	79.6%
2%	40%	64%	64%	0	1.5	0.3%	12.3%	87.3%
2%	40%	64%	64%	0.1	1.5	2.8%	10.5%	86.7%
2%	40%	64%	64%	0.2	1.5	5.0%	8.8%	86.2%
2%	40%	64%	64%	0.3	1.5	7.1%	7.2%	85.7%
2%	40%	64%	64%	0	3	0.6%	12.1%	87.3%
2%	40%	64%	64%	0.1	3	3.0%	10.3%	86.7%
2%	40%	64%	64%	0.2	3	5.3%	8.6%	86.1%
2%	40%	64%	64%	0.3	3	7.4%	7.0%	85.6%
2%	40%	78%	57%	0	1.5	0.4%	10.9%	88.8%
2%	40%	78%	57%	0.1	1.5	2.9%	8.9%	88.1%
2%	40%	78%	57%	0.2	1.5	5.3%	7.1%	87.6%
2%	40%	78%	57%	0.3	1.5	7.6%	5.4%	87.0%
2%	40%	78%	57%	0	3	0.6%	6.8%	92.6%
2%	40%	78%	57%	0.1	3	3.6%	4.5%	92.0%
2%	40%	78%	57%	0.2	3	6.4%	2.3%	91.3%
2%	40%	78%	57%	0.3	3	9.0%	0.2%	90.8%
3%	24%	50%	70%	0	1.5	0.5%	12.5%	87.0%

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(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost as % Total Cost				% of Increm. SFAS 106 Costs		
% Chg. Labor Cost	Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
3%	24%	50%	70%	0.1	1.5	2.5%	11.0%	86.5%
3%	24%	50%	70%	0.2	1.5	4.4%	9.5%	86.1%
3%	24%	50%	70%	0.3	1.5	6.1%	8.2%	85.7%
3%	24%	50%	70%	0	3	0.9%	16.5%	82.6%
3%	24%	50%	70%	0.1	3	2.4%	15.3%	82.3%
3%	24%	50%	70%	0.2	3	3.8%	14.2%	82.0%
3%	24%	50%	70%	0.3	3	5.1%	13.2%	81.7%
3%	24%	64%	64%	0	1.5	0.6%	10.9%	88.5%
3%	24%	64%	64%	0.1	1.5	2.7%	9.3%	88.0%
3%	24%	64%	64%	0.2	1.5	4.7%	7.7%	87.5%
3%	24%	64%	64%	0.3	1.5	6.6%	6.3%	87.1%
3%	24%	64%	64%	0	3	1.1%	10.5%	88.4%
3%	24%	64%	64%	0.1	3	3.2%	8.9%	87.9%
3%	24%	64%	64%	0.2	3	5.2%	7.4%	87.4%
3%	24%	64%	64%	0.3	3	7.0%	6.0%	87.0%
3%	24%	78%	61%	0	1.5	0.6%	9.5%	89.9%
3%	24%	78%	61%	0.1	1.5	2.9%	7.8%	89.3%
3%	24%	78%	61%	0.2	1.5	5.1%	6.1%	88.8%
3%	24%	78%	61%	0.3	1.5	7.1%	4.6%	88.3%
3%	24%	78%	61%	0	3	1.1%	5.2%	93.7%
3%	24%	78%	61%	0.1	3	3.8%	3.2%	93.0%
3%	24%	78%	61%	0.2	3	6.3%	1.3%	92.4%
3%	24%	78%	61%	0.3	3	8.6%	-0.5%	91.9%
3%	32%	50%	74%	0	1.5	0.6%	16.7%	82.6%
3%	32%	50%	74%	0.1	1.5	3.3%	14.7%	82.0%
3%	32%	50%	74%	0.2	1.5	5.8%	12.8%	81.4%
3%	32%	50%	74%	0.3	1.5	8.1%	11.0%	80.9%
3%	32%	50%	74%	0	3	1.0%	22.2%	76.8%
3%	32%	50%	74%	0.1	3	3.0%	20.6%	76.4%
3%	32%	50%	74%	0.2	3	4.9%	19.1%	76.0%
3%	32%	50%	74%	0.3	3	6.7%	17.7%	75.6%
3%	32%	64%	64%	0	1.5	0.7%	14.5%	84.8%
3%	32%	64%	64%	0.1	1.5	3.6%	12.4%	84.1%
3%	32%	64%	64%	0.2	1.5	6.2%	10.4%	83.4%
3%	32%	64%	64%	0.3	1.5	8.8%	8.5%	82.8%
3%	32%	64%	64%	0	3	1.3%	14.1%	84.6%
3%	32%	64%	64%	0.1	3	4.1%	12.0%	83.9%
3%	32%	64%	64%	0.2	3	6.7%	10.0%	83.3%
3%	32%	64%	64%	0.3	3	9.2%	8.1%	82.7%
3%	32%	78%	59%	0	1.5	0.7%	12.8%	86.5%
3%	32%	78%	59%	0.1	1.5	3.8%	10.4%	85.8%
3%	32%	78%	59%	0.2	1.5	6.7%	8.3%	85.1%
3%	32%	78%	59%	0.3	1.5	9.3%	6.2%	84.4%
3%	32%	78%	59%	0	3	1.3%	7.4%	91.4%
3%	32%	78%	59%	0.1	3	4.8%	4.6%	90.5%
3%	32%	78%	59%	0.2	3	8.2%	2.1%	89.8%
3%	32%	78%	59%	0.3	3	11.3%	-0.3%	89.1%

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(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost % as % Total Cost					% of Increm. SFAS 106 Costs	
% Chg. Labor Cost	Empl. Subj to FAS 106	Subj to FAS 106	Not Subj	Labor Supply Elast.	Price Elast. Demand	Reflected in GNP-PI	Other Macroecon. Effects	To be met by Other Sources
3%	40%	50%	79%	0	1.5	0.7%	21.1%	78.2%
3%	40%	50%	79%	0.1	1.5	4.0%	18.6%	77.4%
3%	40%	50%	79%	0.2	1.5	7.1%	16.2%	76.7%
3%	40%	50%	79%	0.3	1.5	10.0%	14.0%	76.0%
3%	40%	50%	79%	0	3	1.1%	28.0%	70.9%
3%	40%	50%	79%	0.1	3	3.6%	25.9%	70.4%
3%	40%	50%	79%	0.2	3	6.0%	24.0%	70.0%
3%	40%	50%	79%	0.3	3	8.3%	22.2%	69.5%
3%	40%	64%	64%	0	1.5	0.8%	18.2%	81.0%
3%	40%	64%	64%	0.1	1.5	4.4%	15.5%	80.1%
3%	40%	64%	64%	0.2	1.5	7.7%	13.0%	79.3%
3%	40%	64%	64%	0.3	1.5	10.9%	10.6%	78.5%
3%	40%	64%	64%	0	3	1.4%	17.7%	80.9%
3%	40%	64%	64%	0.1	3	4.9%	15.1%	80.0%
3%	40%	64%	64%	0.2	3	8.3%	12.6%	79.2%
3%	40%	64%	64%	0.3	3	11.4%	10.2%	78.4%
3%	40%	78%	57%	0	1.5	0.8%	16.1%	83.2%
3%	40%	78%	57%	0.1	1.5	4.6%	13.2%	82.2%
3%	40%	78%	57%	0.2	1.5	8.2%	10.5%	81.4%
3%	40%	78%	57%	0.3	1.5	11.5%	7.9%	80.5%
3%	40%	78%	57%	0	3	1.4%	9.7%	88.9%
3%	40%	78%	57%	0.1	3	5.8%	6.3%	87.9%
3%	40%	78%	57%	0.2	3	9.9%	3.1%	87.0%
3%	40%	78%	57%	0.3	3	13.8%	0.1%	86.1%
4.5%	24%	50%	70%	0	1.5	1.1%	18.3%	80.6%
4.5%	24%	50%	70%	0.1	1.5	4.1%	16.1%	79.8%
4.5%	24%	50%	70%	0.2	1.5	6.9%	14.0%	79.2%
4.5%	24%	50%	70%	0.3	1.5	9.4%	12.0%	78.6%
4.5%	24%	50%	70%	0	3	1.9%	24.1%	74.0%
4.5%	24%	50%	70%	0.1	3	4.1%	22.4%	73.5%
4.5%	24%	50%	70%	0.2	3	6.2%	20.8%	73.0%
4.5%	24%	50%	70%	0.3	3	8.2%	19.2%	72.6%
4.5%	24%	64%	64%	0	1.5	1.3%	15.9%	82.8%
4.5%	24%	64%	64%	0.1	1.5	4.5%	13.5%	82.0%
4.5%	24%	64%	64%	0.2	1.5	7.4%	11.3%	81.3%
4.5%	24%	64%	64%	0.3	1.5	10.2%	9.2%	80.6%
4.5%	24%	64%	64%	0	3	2.3%	15.1%	82.6%
4.5%	24%	64%	64%	0.1	3	5.4%	12.8%	81.8%
4.5%	24%	64%	64%	0.2	3	8.4%	10.6%	81.1%
4.5%	24%	64%	64%	0.3	3	11.1%	8.5%	80.4%
4.5%	24%	78%	61%	0	1.5	1.4%	13.8%	84.8%
4.5%	24%	78%	61%	0.1	1.5	4.8%	11.3%	84.0%
4.5%	24%	78%	61%	0.2	1.5	8.0%	8.9%	83.2%
4.5%	24%	78%	61%	0.3	1.5	11.0%	6.6%	82.4%
4.5%	24%	78%	61%	0	3	2.5%	7.2%	90.3%
4.5%	24%	78%	61%	0.1	3	6.4%	4.2%	89.4%
4.5%	24%	78%	61%	0.2	3	10.1%	1.4%	88.5%

Godwins

(1)	(2)	(3)	(4)	(5)	(6)	(A)	(B)	(C)
		Labor Cost					% of Increm. SFAS 106 Costs	
	%	as % Total Cost					....	
% Chg.	Empl.	....		Labor	Price	Reflected	Other	To be met
Labor	Subj to	Subj to	Not	Supply	Elast.	in	Macroecon.	by Other
Cost	FAS 106	FAS 106	Subj	Elast.	Demand	GNP-PI	Effects	Sources
4.5%	24%	78%	61%	0.3	3	13.6%	-1.2%	87.7%
4.5%	32%	50%	74%	0	1.5	1.4%	24.6%	74.0%
4.5%	32%	50%	74%	0.1	1.5	5.3%	21.6%	73.1%
4.5%	32%	50%	74%	0.2	1.5	9.0%	18.8%	72.2%
4.5%	32%	50%	74%	0.3	1.5	12.4%	16.2%	71.4%
4.5%	32%	50%	74%	0	3	2.2%	32.5%	65.3%
4.5%	32%	50%	74%	0.1	3	5.2%	30.1%	64.6%
4.5%	32%	50%	74%	0.2	3	8.0%	27.9%	64.1%
4.5%	32%	50%	74%	0.3	3	10.6%	25.9%	63.5%
4.5%	32%	64%	64%	0	1.5	1.5%	21.3%	77.2%
4.5%	32%	64%	64%	0.1	1.5	5.8%	18.1%	76.1%
4.5%	32%	64%	64%	0.2	1.5	9.8%	15.1%	75.1%
4.5%	32%	64%	64%	0.3	1.5	13.5%	12.3%	74.2%
4.5%	32%	64%	64%	0	3	2.8%	20.3%	76.9%
4.5%	32%	64%	64%	0.1	3	7.0%	17.2%	75.8%
4.5%	32%	64%	64%	0.2	3	10.9%	14.3%	74.9%
4.5%	32%	64%	64%	0.3	3	14.5%	11.5%	73.9%
4.5%	32%	78%	59%	0	1.5	1.6%	18.6%	79.8%
4.5%	32%	78%	59%	0.1	1.5	6.2%	15.2%	78.7%
4.5%	32%	78%	59%	0.2	1.5	10.4%	12.0%	77.6%
4.5%	32%	78%	59%	0.3	1.5	14.4%	9.0%	76.6%
4.5%	32%	78%	59%	0	3	2.8%	10.3%	86.9%
4.5%	32%	78%	59%	0.1	3	8.1%	6.3%	85.6%
4.5%	32%	78%	59%	0.2	3	13.0%	2.5%	84.5%
4.5%	32%	78%	59%	0.3	3	17.6%	-1.1%	83.4%
4.5%	40%	50%	79%	0	1.5	1.6%	31.0%	67.4%
4.5%	40%	50%	79%	0.1	1.5	6.5%	27.3%	66.3%
4.5%	40%	50%	79%	0.2	1.5	11.0%	23.8%	65.2%
4.5%	40%	50%	79%	0.3	1.5	15.3%	20.5%	64.2%
4.5%	40%	50%	79%	0	3	2.5%	41.0%	56.5%
4.5%	40%	50%	79%	0.1	3	6.2%	38.0%	55.8%
4.5%	40%	50%	79%	0.2	3	9.7%	35.2%	55.1%
4.5%	40%	50%	79%	0.3	3	13.0%	32.6%	54.4%
4.5%	40%	64%	64%	0	1.5	1.7%	26.7%	71.6%
4.5%	40%	64%	64%	0.1	1.5	7.0%	22.7%	70.3%
4.5%	40%	64%	64%	0.2	1.5	12.0%	19.0%	69.0%
4.5%	40%	64%	64%	0.3	1.5	16.7%	15.5%	67.9%
4.5%	40%	64%	64%	0	3	3.1%	25.7%	71.3%
4.5%	40%	64%	64%	0.1	3	8.3%	21.7%	69.9%
4.5%	40%	64%	64%	0.2	3	13.2%	18.0%	68.7%
4.5%	40%	64%	64%	0.3	3	17.8%	14.6%	67.6%
4.5%	40%	78%	57%	0	1.5	1.7%	23.5%	74.8%
4.5%	40%	78%	57%	0.1	1.5	7.4%	19.2%	73.4%
4.5%	40%	78%	57%	0.2	1.5	12.7%	15.2%	72.1%
4.5%	40%	78%	57%	0.3	1.5	17.7%	11.4%	70.8%
4.5%	40%	78%	57%	0	3	3.0%	13.7%	83.3%
4.5%	40%	78%	57%	0.1	3	9.5%	8.7%	81.8%
4.5%	40%	78%	57%	0.2	3	15.7%	3.9%	80.4%
4.5%	40%	78%	57%	0.3	3	21.5%	-0.5%	79.0%

Godwins